

Message Text

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ACTION STR-04

INFO OCT-01 ARA-06 ISO-00 STRE-00 AGRE-00 EB-08 COME-00

L-03 CIAE-00 INR-07 NSAE-00 ITC-01 PRS-01 H-01

PM-04 NSC-05 SP-02 SS-15 TRSE-00 /058 W

-----011647Z 012219 /43

P 011536Z APR 77

FM AMEMBASSY SANTO DOMINGO

TO SECSTATE WASHDC PRIORITY 178

LIMITED OFFICIAL USE SANTO DOMINGO 1549

E.O. 11652: N/A

TAGS: ETRD, EAGR, DR

SUBJECT: REQUEST FOR SUGAR DATA

REF: A) STATE 066941, B) SANTO DOMINGO A-24, C) SANTO DOMINGO A-25,
D) SANTO DOMINGO A-35

1. AVERAGE PRODUCTION COSTS IN DOMINICAN REPUBLIC DIFFICULT TO DETERMINE, PARTICULARLY IN CASE OF PRIVATELY-OWNED GULF AND WESTERN (G ANDW) AND VICINI, WHO TEND TO HOLD SUCH INFORMATION VERY CLOSELY. THE HEAD OF THE STATE-OWNED OPERATION, CEA, CLAIMS PRODUCTION COSTS FOR STATE SUGAR COUNCIL OF 10.02 CENTS PER POUND. BUT CEA, WHICH PRODUCES 60 PERCENT OF COUNTRY'S SUGAR, MAY HAVE PRODUCTION COSTS AS HIGH AS 12-13 CENTS PER POUND. VICINI, WITH APPROXIMATELY NINE PERCENT OF PRODUCTION, HAS COSTS ESTIMATED AT 10-11 CENTS PER POUND. G AND W, PRODUCER OF 31 PERCENT, IS THE MOST EFFICIENT WITH COSTS OF ABOUT EIGHT-NINE CENTS PER POUND.

2. DUE TO NATURE OF COLONO SYSTEM OF PRIVATE (MANY SMALL) FARMERS, NO RELIABLE FIGURES AVAILABLE FOR DOMESTIC PRICE PAID TO FARMERS. COLONOS PROVIDE ABOUT 35 PERCENT OF CEA CROP AND SMALLER PERCENTAGE TO G AND W. EACH YEAR COLONOS RECEIVE CASH ADVANCE FROM CEA FOR OPERATIONS. AMOUNT, BASED ON FORMULA NEGOTIATED BETWEEN CEA AND
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COLONOS, GENERALLY COVERS NOT ONLY OPERATING COSTS BUT IS ALSO ADVANCE ON PROFITS. ADDITIONAL PAYMENT GIVEN TO COLONOS AT CONCLUSION OF HARVEST. TOTAL AMOUNT OF TWO PAYMENTS IS CLOSELY LINKED TO PRICE RECEIVED BY DR ON WORLD SALES AND SECOND PAYMENT IS ALWAYS CAUSE OF STRENUOUS NEGOTIATIONS BETWEEN COLONOS AND CEA. NEGOTIATIONS FOR 1976 FINAL PAYMENT NOT YET CONCLUDED, IN FACT, WITH WIDE DIFFERENCE BETWEEN COLONO AND CEA POSITIONS.

3. RETAIL CONSUMER PRICE OF REFINED SUGAR CURRENTLY 17 CENTS PER POUND.

4. AVERAGE VALUE OF 1976 SHIPMENTS WAS 13.15 CENTS PER POUND, LESS THAN HALF 1975 TOTAL OF 26.5 CENTS PER POUND.

5. DOMINICAN REPUBLIC HAS MADE NO SALES ON INTERNATIONAL MARKET SINCE JANUARY 19, 1977. LAST SALE PRICE, FOR MARCH DELIVERY, WAS 9.5 CENTS PER POUND AND CURRENT YEAR SALES HAVE RANGED BETWEEN 9.0 AND 9.5 CENTS PER POUND. APPROXIMATELY 40 PERCENT OF CEA'S 1977 CROP HAS BEEN SOLD TO DATE.
HURWITCH

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Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: SUGAR, COSTS, PRODUCTION DATA
Control Number: n/a
Copy: SINGLE
Sent Date: 01-Apr-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977SANTO01549
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D770113-0177
Format: TEL
From: SANTO DOMINGO
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t19770497/aaaadgyw.tel
Line Count: 75
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 6c9a8bab-c288-dd11-92da-001cc4696bcc
Office: ACTION STR
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: 77 STATE 66941, 77 SANTO DOMINGO A-24, 77 SANTO DOMINGO A-25
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 18-Jan-2005 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 2925300
Secure: OPEN
Status: NATIVE
Subject: REQUEST FOR SUGAR DATA
TAGS: ETRD, EAGR, DR
To: STATE
Type: TE
vdkgvkey: odbc://SAS/SAS.dbo.SAS_Docs/6c9a8bab-c288-dd11-92da-001cc4696bcc
Review Markings:
Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
22 May 2009
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009